

Senate Study Bill 3219 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to the additional homestead credit for
2 certain disabled veterans and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 425.15, Code 2014, is amended to read as
2 follows:

3 **425.15 Disabled veteran tax credit.**

4 1. If the owner of a homestead allowed a credit under this
5 chapter is a any of the following, the credit allowed on the
6 homestead from the homestead credit fund shall be the entire
7 amount of the tax levied on the homestead:

8 a. A veteran of any of the military forces of the United
9 States, who acquired the homestead under 38 U.S.C. §21.801,
10 21.802, or 38 U.S.C. §2101, 2102, ~~r.~~

11 b. A veteran as defined in section 35.1 with a
12 service-connected disability rating of one hundred percent, as
13 certified by the United States department of veterans affairs.

14 ~~c.~~ ~~the credit allowed on the homestead from the homestead~~
15 ~~credit fund shall be the entire amount of the tax levied on the~~
16 ~~homestead~~ A former member of the national guard of any state
17 who otherwise meets the service requirements of section 35.1,
18 subsection 2, paragraph "b", subparagraph (2) or (7), with a
19 service-connected disability rating of one hundred percent, as
20 certified by the United States department of veterans affairs.

21 2. The credit allowed shall be continued to the estate of
22 ~~a veteran~~ an owner who is deceased or the surviving spouse
23 and any child, as defined in section 234.1, who are the
24 beneficiaries of a deceased ~~veteran~~ owner, so long as the
25 surviving spouse remains unmarried. ~~This section is not~~
26 ~~applicable to the holder of title to any homestead whose annual~~
27 ~~income, together with that of the titleholder's spouse, if~~
28 ~~any, for the last preceding twelve-month income tax accounting~~
29 ~~period exceeds thirty-five thousand dollars. For the purpose~~
30 ~~of this section "income" means taxable income for federal income~~
31 ~~tax purposes plus income from securities of state and other~~
32 ~~political subdivisions exempt from federal income tax.~~

33 3. ~~A veteran~~ An owner or a beneficiary of a ~~veteran~~ an owner
34 who elects to secure the credit provided in this section is not
35 eligible for any other real property tax exemption provided by

1 law for veterans of military service.

2 4. If a ~~veteran~~ owner acquires a different homestead,
3 the credit allowed under this section may be claimed on the
4 new homestead unless the ~~veteran~~ owner fails to meet the other
5 requirements of this section.

6 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
7 importance, takes effect upon enactment.

8 Sec. 3. APPLICABILITY. This Act applies to applications for
9 the disabled veteran tax credit filed on or after the effective
10 date of this Act.

11	EXPLANATION
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12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 The disabled veteran tax credit under Code section 425.15
15 provides a property tax credit on the homestead of an eligible
16 veteran who acquired the homestead under specified federal
17 programs in an amount equal to the entire amount of the tax
18 levied on the homestead. This bill modifies the qualifications
19 for the disabled veteran tax credit by adding the following
20 owners as being owners eligible for the credit: (1) a veteran
21 as defined in Code section 35.1 with a service-connected
22 disability rating of 100 percent as certified by the United
23 States department of veterans affairs; and (2) a former member
24 of the national guard of any state who otherwise meets the
25 service requirements for Iowa national guard members under
26 Code section 35.1(2)(b), subparagraph (2) or (7), with a
27 service-connected disability rating of 100 percent as certified
28 by the United States department of veterans affairs. The bill
29 also strikes the maximum income limitation qualifications for
30 the credit.

31 The bill takes effect upon enactment and applies to
32 applications for the disabled veteran tax credit filed on or
33 after the effective date of the bill.